



CENTRAL INTELLIGENCE AGENCY

THE PRESIDENT'S DAILY BRIEF

[Redacted box]

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21 APRIL 1966

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DAILY BRIEF
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1. South Vietnam

As yet the Buddhists have not tried to take advantage of today's incident in Dalat in which troops clashed with demonstrators.

Tri Quang in Hué told an American official today that he was doing his best to defuse the "struggle" movement in the northern provinces. "Why should I cause trouble when it is only a matter of months before Thieu and Ky step down?" The Buddhist monk added, however, that some people in the area had become "overexcited" so that he was having some trouble.

He indicated, as have other Buddhist spokesmen, that their forbearance would disappear if Ky waffles on elections or takes retribution against the "struggle" groups.

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[redacted] Premier Ky has gone ahead and replaced his controversial director of national police. Ky has had this step in mind for several weeks but postponed action when a number of cabinet officers threatened to resign.

2. Vietnam

A captured Viet Cong document, which sets forth the proceedings of a military intelligence conference last year at the Communists' South Vietnam headquarters, makes the point that the Communists do not see any prospect for negotiations until "the enemy is forced to accept" them.

Even then, the Communists do not expect "the enemy" to negotiate in good faith anymore than they propose to themselves. The document quite flatly says that "the Party" will try to use any negotiating period to prepare "to launch a general offensive and uprising for a complete victory."

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3. Rhodesia

South African Prime Minister Verwoerd [redacted] will not halt the flow of oil to Rhodesia and has also refused to act as intermediary in any negotiations between London and Salisbury. Pretoria's attitude could well lead the other African states to call for UN sanctions against Rhodesia.

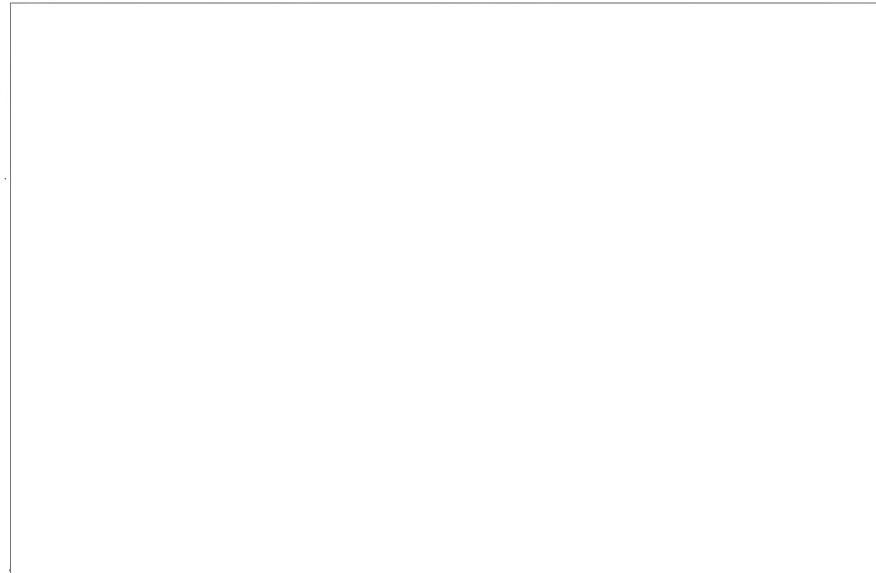
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This would put London on the hot seat. A veto would make it public enemy number one in Black Africa, but acquiescence could jeopardize its badly needed billion dollar a year trade with South Africa.

Foreign Minister Stewart says London has now decided to consider the "starkest" possibilities--which presumably includes use of force to bring Smith down.

4. Egypt

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5.. Iran

The Shah, who appears increasingly unhappy with the US, wants to know well before 26 May if he is going to be allowed to buy the military equipment he asked for some months ago. This deadline, he says, is to permit him to initiate procurement measures elsewhere, if necessary, before leaving on an official visit to Rumania.

Reports of recent Soviet arms deliveries to Egypt or Iraq have probably heightened his determination to get more equipment somewhere, and he has the money to pay for it. He particularly wants to beef up defenses in southern Iran and along the Persian Gulf--areas he is convinced are threatened by Nasir.

6. Cyprus

The problem appears to be entering the early stages of another crisis period.

The Turkish Government, under growing pressure to "do something," is contemplating a diplomatic initiative to force the removal of alleged restrictions on the Turkish Cypriot community. Their proposals, as presently envisaged, are almost certain to be rejected out of hand by Makarios.

7. India

The agriculture minister says the food situation now appears "manageable" as a result of US grain commitments. Grain handlers at one of the major harbors, however, have reportedly gone on strike. Any prolonged tie-up now could impede New Delhi's effort to build up stocks before the monsoon rains starting in June sharply reduce import capacity.

8. Soviet Union

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